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FISCAL IMPACT REPORT

ORIGINAL DATE 2/10/07

SPONSOR M.J. Garcia LAST UPDATED _____ HB _____

SHORT TITLE Grandparents Raising Grandchildren SB 625

ANALYST Lucero

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$250.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to Appropriation in the General Appropriation Act

SOURCES OF INFORMATION

LFC Files

Responses Received From

Children, Youth and Families Department (CYFD)

SUMMARY

Synopsis of Bill

Senate Bill 625 appropriates two hundred fifty thousand dollars (\$250,000) from the General Fund to Children, Youth and Families Department for expenditure in 2008 to provide services to grandparents who are raising their grandchildren in Dona Ana County.

FISCAL IMPLICATIONS

The appropriation of two hundred fifty thousand (\$250,000) contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2008 shall revert to the general fund.

The appropriation in this bill is not part of the Children, Youth and Families Department's request and is not included in the Executive recommendation of Children, Youth and Families Department.

SIGNIFICANT ISSUES

New Mexico ranks 7th highest among other states in the percentage of children under age 18 living in a household headed by a grandparent. Grandparents raising their grandchildren are often underserved in the community as they are not eligible for many entitlement or social services, and don't have the financial resources available for non-relative foster care. Typically these families have low incomes and the grandchildren suffer from higher levels of developmental and behavioral disabilities and other challenges. Funding for community-based programs that support grandparents raising their grandchildren will improve the chances that children remain with their family members when their parents are incapable of caring for them.

Increased funding for program development may result in fewer children being placed into the foster care system. CYFD does not administer any programs serving this population. The Aging and Long-Term Services Department and several other organizations do provide support for this population.

The appropriation is intended for services in Dona Ana County only.

PERFORMANCE IMPLICATIONS

Although not directly related to any existing CYFD performance measure, the bill could positively impact the placement permanency of children living with their grandparents.

ADMINISTRATIVE IMPLICATIONS

If passed, the bill will have a slight administrative impact on children, youth and families department that the bill does not address.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None identified.

TECHNICAL ISSUES

None identified.

OTHER SUBSTANTIVE ISSUES

Other areas of the state are also in need of additional support services for grandparents raising their grandchildren.

According to the U.S. 2000 Census, there almost 2.5 million households with grandparents raising their grandchildren. Fifty-seven percent of grandparents raising their grandchildren are still in the work force and 17% are living in poverty.

In New Mexico, there are 41,085 children living in grandparent-headed households (8.1% of all the children in the state). There are another 10,572 children living in households headed by other relatives (2.1% of all the children in the state).

In New Mexico, 54,041 grandparents report they are responsible for their grandchildren living with them [4,272 in Albuquerque]: 2% of these grandparents are African American; 53% are Hispanic/Latino; 20% are American Indian or Alaskan Native; and 23% are White. 30% of these grandparents live in households without the children’s parents present.”

ALTERNATIVES

Expand the geographic area to include other areas of the state.

The appropriation may be more suited for the aged network if it was made to the Aging and Long Term Care Department.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status quo.

DL/csd